

TO: Distribution

DATE: June 2, 1992

FROM: J. Greene

SUBJECT: ALPINE PACK OUTLET OFFENSIVE

Alpine will execute an offensive pack program in Convenience outlets during the summer months. The program entails blitzing key markets with a hot - price offer (99¢ per pack) on Alpine from July 20 through October 2, 1992. This program is incremental to the 1992 schedule. Field Sales execution is required.

OVERVIEW

Alpine is losing significant share and volume in the Convenience store trade class. While Alpine programs focus on the pack business, they have not generated enough volume to make up for units lost in the midst of the price wars. Competitive promotion activities, especially hot pricing, are widespread in this trade class in apparent efforts to reduce alternate purchases and keep consumers in the franchise. These actions place Alpine at a severe price disadvantage in this key segment.

Other marketing support (FSI's, direct mail, couponing) for Alpine have been adequate in holding share in Supermarkets. Price competition in Supermarkets seems to have been reduced to manageable levels and migrated to C-stores.

PROGRAM OBJECTIVES

The objective of reducing the Retail pack price of Alpine to 99¢ for an extended period of time is threefold:

- stem volume and share declines in C-store trade class
- source alternate purchase from Salem, Kool and competitive Menthol brands
- generate trial

PROGRAM DETAILS

Timing:	July 20 - October 2, 1992
Offer:	VPR - 99¢ price per pack
Geography:	Key Markets (see attached)
Outlets:	C-stores & pack outlets with significant Menthol and/or PV business
Units:	82 M

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## PROGRAM EXECUTION

This program will be executed in high Menthol and/or PV markets. Given program objectives, placements should be in C-stores and key pack outlets.

Alpine 99¢ deals should be merchandised from existing BV displays or Special Offer shippers. Several POS items including outdoor pricing banners are also available and should be used to call out the special 99¢ pack price.

FSF personnel must apply 99¢ starburst stickers indicating this is a manufacturer's promotion to POS where packs are displayed. VPR stickers are also available to apply to packs when needed. Extra product should be prebooked to accommodate incremental sales generated by the hot-price.

## Payments

Alpine's pack price should be reduced to 99¢ including all applicable sales taxes. FSF personnel should reimburse Retailers via flex check using Promo Code 116A.

## MATERIALS & ORDERING

Sell sheets, VPR stickers, displays and POS will be available through MIDAS. Orders can be placed beginning June 22. Funds and certain POS items have been allocated according to the attached schedule. The other items (\*) are from continuous POS.

<u>ITEM</u>	<u>POS#</u>	<u>PF</u>
Special Offer 40 pack shipper*	48388	5
Alpine 99¢ VPR sticker	64717	200
Alpine 99¢ starburst	64718	100
Alpine 99¢ dangler	64719	10
Alpine BV header (old generation)	64732	10
Alpine static cling decal w/price circle*	48129	25
Aline pricing poster*	48284	10
Alpine large pricing banner*	48281	2
Alpine/Cambridge Outdoor Pricing Banner*	47715	2

\*in stock

## MATERIAL PRODUCTION

<u>ITEM</u>	<u>POS#</u>	<u>QUANTITY</u>	<u>PF</u>	<u>A&amp;K</u>	<u>KDC</u>
99¢ sticker	64717	1,500,000	200	06/01	07/03
99¢ starburst	64718	200,000	100	06/01	07/03
99¢ dangler	64719	50,000	25	06/01	07/03
BV header	48133	100,000	10	06/01	07/10

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**ALPINE 99¢ SPECIAL PACK PRICE**  
**PRIORITY MARKETS**

<u>Region 1</u>	<u>Region 2</u>	<u>Region 3</u>	<u>Region 4</u>	<u>Region 5</u>
Philadelphia	Baltimore	New Orleans	Detroit	Hawaii
Harrisburg	Savannah	Lake Charles	Chicago	
Buffalo	Washington	Memphis	Cleveland	
	Richmond	St. Louis	Saginaw	
	Columbia	Little Rock	Milwaukee	
	Pensacola	Dallas	Pittsburgh	
	Atlanta	Jackson	Cincinnati	
	Knoxville	Kansas City	Louisville	
	Green Bay	San Antonio	Peoria	
	Greenville	Houston	Columbus	
	Jacksonville	Paducah	Indianapolis	
	Birmingham		Toledo	
	Raleigh/Durham		Grand Rapids	
	Charlotte			

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	<b>ALPINE 99¢ OFFENSIVE PACK PROMOTION ALLOCATIONS</b>				
		<u>99¢ STICKERS</u>	<u>99¢ STARBURST</u>	<u>99¢ DANGLER</u>	<u>BV HEADER</u>
	<u>DOLLAR</u>	<u>POS# 64717</u>	<u>POS# 64718</u>	<u>POS# 64719</u>	<u>POS# 64732</u>
	<u>BUDGET</u>	<u>PF = 200</u>	<u>PF = 100</u>	<u>PF = 25</u>	<u>PF = 10</u>
<u>REGION</u>					
1	\$203,742	75,000	10,000	2,500	5,000
2	\$1,425,798	525,000	70,000	17,500	35,000
3	\$1,018,512	375,000	50,000	12,500	25,000
4	\$1,303,632	480,000	64,000	16,000	32,000
5	\$122,166	45,000	6,000	1,500	3,000
TOTAL	\$4,073,850	1,500,000	200,000	50,000	100,000

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